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Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: strengthening of the coordination of emergency humanitarian assistance of the United Nations

Elimination of coercive economic measures as a means of political and economic compulsion

United Nations Year of Dialogue among Civilizations

The situation in the Middle East

Question of Palestine

United Nations reform: measures and proposals: the Millennium Assembly of the United Nations

Questions relating to information

Macroeconomic policy questions

Sectoral policy questions

Sustainable development and international economic cooperation: implementation of the commitments and policies agreed upon in the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, and implementation of the International Development Strategy for the Fourth United Nations Development Decade; cultural development; high-level dialogue on strengthening international economic cooperation for development through partnership

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Environment and sustainable development: implementation of agenda 21 and the Programme for the Further Implementation of Agenda 21; Convention on Biological Diversity; further implementation of the Programme of Action for the Sustainable Development of Small Island Developing States; implementation of the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa

Operational activities for development

Implementation of the first United Nations Decade for the Eradication of Poverty

Globalization and interdependence

High-level international intergovernmental consideration of financing for development

Third United Nations Conference on the Least Developed Countries

Social development, including questions relating to the world social situation and to youth, ageing, disabled persons and the family

Implementation of the outcome of the Fourth World Conference on Women and of the special session of the General Assembly entitled "Women 2000: gender equality, development and peace for the twenty-first century"

Letter dated 5 May 2000 from the Permanent Representative of Nigeria to the United Nations addressed to the President of the General Assembly

I have the honour to transmit herewith the Declaration and the Havana Programme of Action adopted by the South Summit of the Group of 77, held in Havana from 10 to 14 April 2000 (see annexes).

On behalf of the Group of 77, I would appreciate it if the final documents of the Group of 77 South Summit could be circulated as documents of the forthcoming Millennium Summit and the Millennium Assembly, under items 20 (a), 31, 32, 40, 41, 61 (b), 88, 94, 95, 96 (a), (c) and (d), 97 (a), (b), (d) and (e), 98, 101, 102, 103, 104, 105 and 110.

(Signed) Arthur C. I. **Mbanefo**, MFR
Ambassador
Permanent Representative of Nigeria
to the United Nations
Chairman of the Group of 77

Annex I to the letter dated 5 May 2000 from the Permanent Representative of Nigeria to the United Nations addressed to the President of the General Assembly

Declaration of the South Summit

1. We, the Heads of State and Government of the member countries of the Group of 77 and China, fully convinced of the imperative need to act in close unity for the primary purpose of working for a peaceful and prosperous world, have gathered here in Havana, for the first-ever South Summit, from 12 to 14 April 2000.

2. We remain fully committed to the spirit of the Group of 77 and China, which has helped our countries since the inception of the Group in the early 1960s to pursue a common and constructive course of action for the protection and promotion of our collective interests and genuine international cooperation for development. At this historic event, we reaffirm our commitment to the principles and objectives that have guided the Group from the start. We also rededicate ourselves to strengthening the unity and solidarity of the Group in pursuit of its declared objectives and to reinforcing the role it is called-upon to play in international economic relations.

3. We are fully convinced that it is indeed imperative to gather here at the start of the new millennium, a critical juncture in contemporary human history, to reflect on the rapidly changing world economic situation and to discuss the emerging challenges facing the South in the economic and social spheres and seek a solution to them. We have also been brought together fully convinced that at the dawn of the 21st century, we need to act decisively to map out a better future for our countries and peoples and to work towards the establishment of an international economic system which will be just and democratic.

4. We reaffirm that in our endeavours we are guided by all the principles and purposes of the United Nations Charter and by full respect for the principles of international law. To this end we uphold the principles of sovereignty and sovereign equality of States, territorial integrity and non intervention in the internal affairs of any State; take effective measures for the suppression of acts of aggression or other breaches of peace and encourage the settlement of international disputes by peaceful means in such a manner that international peace and security, and justice, are not endangered; refrain in international relations from the threat or use of force against the territorial integrity or political independence of any State or in any other manner inconsistent with the purposes of the United Nations; develop friendly relations based on respect for the principle of equal rights and self determination of peoples; achieve international cooperation in solving international problems of an economic, social, cultural or humanitarian character, and in promoting and encouraging respect for human rights and fundamental freedoms for all without distinction as to race, sex, language or religion.

5. We emphasize that the process of globalization and interdependence must not be used to weaken or re-interpret the above-mentioned principles, which continue to be the foundation for friendly and peaceful relations among States and for the solution of disputes and conflicts by peaceful means. Furthermore, we stress that those principles inspire us to be fully committed to creating a more just and equitable international economic system that offers security for all people and growing opportunities to raise their standard of living.

6. We are committed to a global system based on the rule of law, democracy in decision-making and full respect for the principles of international law and the Charter of the United Nations. The new global system must reflect these principles.

7. We emphasize that development is the best contribution to peace, and that both are built together. Development is a continuing process, without arbitrary limits, through which we work for the prosperity and well-being of our peoples. Our highest priority is to overcome underdevelopment, which implies the eradication of hunger, illiteracy, disease and poverty. Although this is primarily our responsibility, we urge the international community to adopt urgent and resolute actions, with a comprehensive and multidimensional approach, to assist in overcoming these scourges, and to establish international economic relations based on justice and equity. Development for the well-being of our peoples will always remain the focus of action of the Group of 77, and in this respect we rededicate ourselves to that goal. We recognize the right of developing countries, in exercise of their sovereignty and without any interference in their internal affairs, to choose the path of development in accordance with their national priorities and objectives. We are, however, deeply concerned that international cooperation for development has been downplayed on the agenda of the international community, including the United Nations system. In view of our declared goal, we therefore call on the international community at the dawn of the new millennium to give priority to the development agenda of developing countries and adopt urgent and resolute actions which will help them to overcome the obstacles to their development objectives.

8. In this context, and noting the interdependence of nations and the varying levels of human development worldwide, we stress the need for a new global human order aimed at reversing the growing disparities between rich and poor, both among and within countries, through the promotion of growth with equity, the eradication of poverty, the expansion of productive employment and the promotion of gender equality and social integration. We therefore, pledge to work together to confront these challenges for the benefits of all our people.

9. We note that in recent decades, external factors have constrained the realization of the economic potential of the South. This has adversely affected external trade and the flow of foreign direct investments (FDI) and other forms of investments. It is thus, imperative to promote a North-South dialogue based on a spirit of partnership, mutual benefit and genuine interdependence in order to expedite the removal of these constraints.

10. We are deeply convinced of the need to create a new spirit of international cooperation based on the principle of achieving shared benefits, but also based on common but differentiated responsibilities, between the developing and industrialized countries. We concur that in order to do this, it is imperative to develop collective and peaceful solutions for the global problems affecting the world today, and this demands a search for concrete mechanisms that will guarantee full and effective participation by the South in international decision-making, on an equal basis. In this regard, the international machinery through which global norms are developed and actions taken must therefore ensure that the countries of the South can participate on an equal footing in decisions which affect them most of all. In particular, the international economic governance institutions must promote broad based decision-making which is essential if we are to have a more equitable global political economy. In the context of interdependence we underline the need for expeditions measures to make the existing mechanisms more transparent, inclusive, participatory, interactive and broad based. Similarly at the national level, we also note that the efforts to promote development require a true partnership that is more inclusive and participatory and which involves all stakeholders, including the private sector and NGOs.

11. We note with concern that the countries of the South have not been able to share in the benefits of globalization on an equal footing with the developed countries and have been excluded from the benefits of this process. Asymmetries and imbalances have intensified in international economic relations, particularly with regard to international cooperation, even further widening the gap between the developing countries and the industrialized countries. We are also concerned that, in the context of widening North-South gap, the social and economic conditions of the least developed countries (LDCs) have been deteriorating. Furthermore, the income gap within countries remains wide; social exclusion and inequalities are widespread; and the number of people living in poverty has increased. Urgent measures should be taken to address the needs of the large majorities of the population, in particular women and children, who are forced to live in extreme poverty, if this is not done, globalization will provide no lasting solutions to the essential problems of developing countries. For most of us, agriculture remains the mainstay of our economies, and the majority of our population still lives in rural areas; globalization has passed them by, but must address their needs.

12. We are concerned by the serious financial problems faced by many of our countries, with the systemic aspect of financial instability, the problems associated with excessive volatility in short-term capital flows, and the absence of an appropriate mechanism to regulate and monitor such flows, as well as hedge funds, and highly leveraged financial institutions. This situation urgently requires a fundamental reform of the international financial architecture, making it more democratic, more transparent and better attuned to solving the problems of development. It also requires the establishment of a clear programme that goes beyond the mere prevention of crises and includes actions addressing the interrelated problems of finance, trade, technology and development at the international level. The return to apparent normalcy of capital markets after the last crises should not lull us into complacency.

13. Even developing countries with limited or no financial markets suffer badly from financial volatility and contagion through lower commodity prices brought about by declining commodity demand, cross-instability in financial and commodity markets, and the postponement of investment, which seriously weaken their overall economic situation and growth potential. Although financial contagion in these countries does not have systemic consequences, their economies are severely affected, and we therefore call on the multilateral financial institutions to take appropriate and timely supportive action to assist them.

14. As the focal point within the United Nations for the integrated treatment of trade and development and the interrelated issues in the areas of finance, technology, investment and sustainable development, UNCTAD should continue to examine these issues and to build a consensus for the reformulation of policies and options on globalization from a development perspective. We strongly reaffirm our commitment to the mandate given to UNCTAD at Bangkok to contribute to the ongoing process of reforms of the international financial institutions.

15. We recognize the need for our countries to continue with their efforts towards economic reforms to enhance sustained economic growth and sustainable development. We also urge the developed countries to take into account the possible negative impact of their domestic economic, monetary and fiscal policies on developing countries and to apply measures that are sensitive to the needs and interests of the South.

16. The world has become more interdependent than ever before. The persistence of endemic poverty and deprivation in the South constitutes a potential threat to the security and prosperity of the world. In this context we welcome the initiative launched for the creation of the World Solidarity Fund and encourage efforts by member States for its establishment. We underline the importance of this Fund in contributing to the efforts in the eradication of poverty.

17. We advocate the restoration of confidence in the multilateral trading system, which should contribute to the economic growth and development of the countries of the South. We insist on the need for the developed countries to fulfil their commitments fully and immediately to implement the provisions for special and differential treatment for the products and services exported by the developing countries, and for the strengthening of the system of trade preferences, which should also address the needs of LDCs and the specificities of a number of small developing countries, while taking into consideration their problems of vulnerability and the risk of marginalization in the global economy. We urge that priority should be given to the liberalization of those service sectors where developing countries have the comparative advantage. In this respect, the key issue of the free movement of natural persons should be adequately addressed.

18. We note with concern that the liberalization of international trade has not provided benefits for all developing countries. There is a need to restore confidence in the multilateral trading system through full participation of developing countries, full and faithful implementation of the Uruguay Round Agreements in their true spirit, and effective attention to the implementation concerns of developing countries. We stress the principle of universal membership of the WTO and call for acceleration of the accession process without political conditionalities.. We urge all WTO members to refrain from placing excessive demands on developing countries seeking accession to WTO. We recognize that there is a need for consultations among developing countries to promote effective participation in the WTO.

19. We welcome the invitation extended by the State of Qatar to host the Fourth Ministerial Conference of the WTO, and we call for an effective participation in this conference so as to achieve the goals and promote the interests of the countries of the South.

20. We underline the urgent need to redress the imbalances in the present WTO Agreements, and in particular, with regard to the right of developing countries to promote their exports, which have been curtailed by the abuse of such protectionist measures as anti-dumping actions and countervailing duties, as well as tariff peaks and escalation. Meaningful and expedited liberalization of the textiles sector, which is of particular interest to developing countries, is another important market access issue which should be addressed by the multilateral trading system as a matter of priority. We also call for the mandated negotiations on agriculture in accordance with the provisions of article 20 of the Agreement on Agriculture. In agriculture the objectives should be to incorporate the sector within normal WTO rules. We also call for the full and prompt implementation of the WTO Marrakech decision on measures related to the possible negative effects of the reform programme on Least Developed Countries (LDCs) and net food importing developing countries. The WTO Agreements should be implemented taking into consideration the need to extend the implementation period of particular Agreements that pose problems to developing countries. The review of Trade-related Aspect of Intellectual Property Rights Agreement (TRIPS) as mandated in articles 27 and 71 should make them more responsive to the needs of the South and to ensure access of developing countries to knowledge and technology on preferential terms. We will work towards harmonizing the TRIPS Agreement with the provisions of the sustainable use and conservation of biodiversity in the Convention on Biological Diversity.

21. We also call upon developed countries fully to implement special and differential treatment (SDT) for developing countries, to strengthen the system of preferences and to give the products and services of special export interest to developing countries free and fair access to their markets. In this connection, we urge all WTO members to grant the request of the European Union and the ACP Group for a waiver for the provisions of article 1, paragraph 1, of the General Agreement on Tariffs and Trade (GATT). We call upon the developed partners also to recognize the need to formulate appropriate measures to address the concerns of other eligible countries through strengthening the Generalized System of Preferences (GSP). Future multilateral trade negotiations should be based on a positive agenda and should take full consideration of the development dimension of trade and of the specific needs and concerns of developing countries. We call on all countries to support the mandate of the United Nations Conference on Trade and Development (UNCTAD) to assist developing countries in multilateral trade negotiations by providing sufficient resources. While recognizing the value of environmental protection, labour standards, intellectual property protection, indigenous innovation and local community, sound macroeconomic management and promotion and protection of all universally recognized human rights and fundamental freedoms, including the right to development, and the treatment of each issue in its competent international organization, we reject all attempts to use these issues as conditionalities for restricting market access or aid and technology flows to developing countries.

22. We have assessed the successful results of the recently held UNCTAD X Conference in Bangkok, Thailand, and request all countries duly to support the organization in its efforts to contribute to the promotion of the development dimensions of trade in the context of globalization and of the liberalization of the world economy.

23. We further believe that the member countries of the Group of 77 should coordinate their priorities and negotiating strategies effectively to promote their common interests by shaping and directing multilateral trade negotiations to take into account the needs of developing countries so that trade policies serve the objectives of development, and also provide enhanced market access to developing countries.

24. We note with deep concern the continuing decline of official development assistance, (ODA) which has adversely affected development activities in the developing countries, in particular the LDCs, and we therefore urge developed countries that have not yet done so to act immediately to honour their commitment of directing 0.7 per cent of their Gross National Product (GNP) to ODA, and within that target, to earmark 0.15 per cent to 0.20 per cent for the LDCs. We also urge that the provision of official aid should respect the national development priorities of developing countries, and that conditions attached to ODA should be brought to an end.

25. We support the holding of a high-level United Nations conference on financing for development in the year 2001, which should address national, international and systemic issues relating to financing for development in a holistic manner. We call on all countries and relevant stakeholders, particularly the World Bank, IMF and WTO, to attach the greatest urgency and importance and to participate actively in the preparatory process and in the conference itself. We also welcome the offers by Indonesia and Colombia to holding regional intergovernmental meetings in order to provide inputs for the preparatory process for the event. In this regard, we invite the member States of the Group of 77 to consider offering to host the conference.

26. We note with concern the persistence of the external debt problem and its unfortunate consequences in the South, where the vicious cycle of debt and underdevelopment has become even further entrenched. We are alarmed at the fact that debt servicing has grown at a much greater rate than the debt itself, and that the burden of debt payments has become heavier in many countries of the South, including countries with low and middle incomes. We therefore underline the need collectively to pursue a durable solution for the external debt problem of developing countries, including middle-income developing countries, which also addresses the structural causes of indebtedness. We further call for debt reduction arrangements for middle-income developing countries in order to expedite the release of resources for development.

27. We welcome the expanded initiative in favour of heavily indebted poor countries (HIPC), but consider that it should be extended, expedited and made more flexible, and that new and supplementary resources should be contributed. Debt relief or cancellation should not be at the expense of official development assistance. We advocate seeking renegotiation formulas applicable to middle-income countries, and promote the design of a global strategy for external debt, which addresses the interrelated problems of finance, the economy and development.

28. We note with grave concern the debt burden, which has put the least developed countries in a more vulnerable position, and urge the developed countries to write off their debt so as to relieve the LDCs of the burden and thereby strengthen their capacity to develop and to escape from the vicious circle of poverty.

29. We view with alarm the recent unilateral moves by some developed countries to question the use of fiscal policy as a development tool and to impose their own definition of so-called harmful tax competition. We reiterate the fundamental right of each State to determine its own fiscal policies and in this regard sovereignty of States must be respected. We subscribe to the view that the legitimate struggle against money laundering should not be used as a pretext to discredit genuine offshore financial centres because of their fiscal policies and incentives.

30. The contribution of the transnational corporations (TNCs) to sustained economic growth and sustainable development is determined by their global strategies, characterized by the search for increased competitiveness and ever-higher profits. Such a situation is not necessarily consistent with job creation and the realization of development objectives in many developing countries. Hence, we invite the relevant international institutions to address this dilemma with a view to attaining the proper balance between both objectives. In this context, we request UNCTAD and ILO, within their respective mandates, to study the merger trend among the TNCs and its impact on unemployment as well as its competitiveness impact on Small and Medium-sized (SMEs) in developing countries. We also call on the TNCs to integrate development objectives of the host developing countries into their business strategies.

31. We recognize that within the South, there are a group of countries, categorized as LDCs, which are at a particular disadvantage in the current phase of globalization and liberalization. Despite the efforts they are making and the attempts being made to help them, they continue to be marginalized in the world economy. We urge the international community to take special initiatives for them, particularly in regard to the eradication of poverty, equitable implementation of the WTO Agreements, free access to their exports in the world markets, debt cancellation, increased ODA, and incentives for FDI flows to the LDCs.

32. We reiterate our support for the initiative of the Group of 77 on the resolution entitled "Prevention of corrupt practices and illegal transfer of funds", adopted by the United Nations General Assembly at its 54th session. We support the demands in that resolution on the need for increasing cooperation at various levels, including the United Nations system, to devise ways and means of preventing and addressing the illegal transfer of funds and repatriation of illegally transferred funds to countries of origin. We also endorse the decision of the African and European leaders who, at the end of their recent summit in Cairo, resolved to take the necessary measures to combat corruption at both the national and international levels and to ensure that illegally acquired and transferred monies deposited in foreign banks are investigated and returned to countries of origin. We call on all countries and entities concerned to cooperate in this regard. We also call on the United Nations to commence preparatory work for the elaboration of a convention on this matter, to be submitted to the Millennium Assembly for adoption.

33. We recognize the special problems of small and vulnerable economies and encourage the relevant international institutions to take into account differences in the level of development and size of the economies of developing countries in order to create opportunities for full participation of the small economies and to increase their level of development. We insist that SDT for all developing countries, including small and vulnerable economies, should be recognized as a fundamental principle of the multilateral trading system.

34. We have recognized the handicaps faced by landlocked developing countries due to unfavorable geographic circumstances, and the concerns of transit developing countries. In the global economy the landlocked developing countries are being increasingly marginalized despite efforts on their part to devise appropriate national strategies. This is resulting in the further deterioration of their economies and already low living standards. We urge bilateral and multilateral donors to grant preferential treatment to landlocked and transit developing countries.

35. We are concerned by the special problems and vulnerabilities of small island developing states (SIDS), in particular the lack of market access and absence of special and differential treatment, which continue to create barriers for these countries to participate effectively in a rapidly globalizing world economy. We express concern that, although great efforts have been undertaken by the SIDS at the national level, there has not been commensurate support at the international level. We call for the strengthening of efforts at the international level in the implementation and follow-up of the Barbados Programme of Action. We emphasize the urgent need to maximize international support through, *inter alia*, strengthening the existing institutional agreements, mobilizing new, additional and external resources, and improving coordination mechanisms so as to focus and harmonize support for SIDS priorities. We note the regular incidence of natural disasters and their deleterious effects on the development of small and vulnerable economies and call for increasing international assistance for setting up and strengthening national, subregional, regional and international disaster prevention, preparedness and management mechanisms, including early warning systems, taking into account particularly the work accomplished during the International Decade for Natural Disaster Reduction.

36. We express our deep concern over the unprecedented floods in Southern Africa, and Mozambique in particular, that have caused loss of life, extensive destruction of infrastructures, deterioration of the socioeconomic situation and dislodgment and scattering of landmines. The unfolding humanitarian disaster is a further cause of concern. We commend the efforts of the Southern African Development Community (SADC) countries to address the devastating effects of the floods and thank the international community for the support, solidarity and humanitarian assistance rendered to Mozambique. We urge the international community to participate in the International Donors Conference to be held in Rome on 3-4 May 2000, aimed at mobilizing financial resources for the reconstruction of socioeconomic infrastructures and rehabilitation of the victims in Mozambique. We also urge the developed countries to write off the external debt of Mozambique in the light of its current critical socioeconomic situation. We further urge the international community to increase its assistance to mine clearance programmes, taking into account the far-reaching effects of the floods.

37. We are deeply alarmed about the persistent critical economic situation in Africa, exacerbated *inter alia* by a heavy debt burden, low levels of savings and investment, depressed commodity prices, declining levels of ODA, and insufficient levels of FDI. In particular we note with dismay that poverty in Africa has now reached intolerable levels, with negative consequences for the stability of most countries and regions of the continent. In order to reach internationally agreed targets of reducing poverty by half by the year 2015, African economies must grow at a rate of 7 per cent per annum. Present trends must therefore be reversed, starting with the writing off of bilateral and multilateral debts and a substantial increase in financial flows, including ODA. This would enable African countries to resume much-needed investment in human and physical infrastructure, a *sine qua non* for putting the continent back on the road to growth and development. In this context, we welcome the initiatives taken by some developed countries to write off the debts of LDCs and also welcome the Declaration and Plan of Action which emanated from the first Africa-Europe Summit, held in Cairo from 3 to 4 April 2000, and which examined ways and means to increase the integration of Africa into the world economy by elaborating a comprehensive solution to its debt problem, improving its productive and financial capacities, removing market access and supply-side obstacles to the flow of its exports to the international markets, and assisting its efforts to attract a larger share of world investment. We therefore urge the speedy implementation of measures supporting the development efforts of African countries.

38. We are deeply concerned about the spread of HIV/AIDS and of parasitic diseases in developing countries in general and sub-Saharan Africa in particular. The scourge threatens to undermine great advances achieved in the social and economic fields in developing countries over the past decade. We urge the international community to adopt concrete measures to mitigate the disastrous effects of HIV/AIDS, including by encouraging local production and ensuring access to drugs at affordable costs. Urgent assistance is needed, particularly to intensify information and awareness campaigns to make the causes of the disease and preventive measures well known to the masses. We call for the support of the international community to assist in addressing the challenge posed by HIV/AIDS in particular, but by all diseases in general, such as lack of adequate access to care and treatment for HIV/AIDS, tuberculosis and malaria epidemics. Policies to realize gender equality must be implemented with greater urgency in order to help combat one of the root causes of the spread of the disease. We also call for international cooperation, including South-South cooperation, and the establishment of multi-disciplinary mechanisms at regional and subregional levels to address these challenges.

39. We call for the design of investment promotion policies that correspond to national priorities for development, including capacity-building, technology transfer, infrastructure, the expansion of production facilities, job creation, and the diversification of exports and markets. The international community should support the efforts of developing countries to define FDI strategies for the creation of a favourable climate for investment.

40. We are convinced that South-South cooperation is an effective instrument for optimizing our potential to promote development through, among other things, mobilization and sharing of existing resources and expertise in our countries, as well as complementing cooperation programme with donor countries. We therefore commit ourselves to overcoming whatever factors that have limited this cooperation. We believe such cooperation is imperative in the context of globalization and that it should therefore it should be pursued with determination and political will. We also believe that South-South cooperation is an essential mechanism for promoting sustained economic growth and sustainable development and that it constitutes a vital element in promoting constructive South-South relations and in achieving self-reliance. In view of the foregoing we reiterate our determination to take necessary measures, including the identification of resources and the design of appropriate follow-up mechanisms to exploit its potential fully.

41. In this regard, we commend and support recent initiatives taken by our countries to promote cooperation between Africa and Latin America and the Caribbean, as well as between Africa and Asia, as contained in cooperation agreements, to address issues of desertification, drought and land degradation in joint efforts to implement the United Nations Convention to Combat Desertification, particularly in Africa. We reaffirm our commitment for the full implementation of all the provisions of the Convention and call on developed countries and the international community to fulfil their financial commitments in this regard. We also support the decisions adopted at the African Ministerial Conference on Environment, held in Abuja, Nigeria, on 4-6 April 2000, and welcome the recent establishment in Tunisia of the observatory of the Sahel and Sahara.

42. We recognize that regional cooperation and integration is the most meaningful approach for the South to face the challenges of globalization and take full advantage of its opportunities. We also commend and support the work of the regional and subregional groupings established among developing countries to promote the sustainable socioeconomic development of their respective member States through regional integration and the harmonization of their economic and social policies. We further welcome and encourage the establishment of appropriate structures at the regional and subregional levels in the developing countries aimed at removing barriers to the free movement of goods, services and capital.

43. We note that the prevailing gap between the North and South in the scientific and technological field is still growing, and that the process of rapid accumulation of knowledge and technologies has not reached the hundreds of millions of people who continue to live in absolute poverty. It is essential to adopt appropriate measures to overcome the technological gap between the developing and industrialized countries and to work towards arrangements that facilitate the processes of technology transfer. While we are committed to promoting the development of science and technology by strengthening our political will, increasing the allocation of resources to that end, developing an appropriate institutional framework, and promoting technology and innovation through advanced, quality education, we urge developed countries to facilitate the transfer of technology, easing the costs and collateral conditions that presently stand in its way.

44. We believe that the prevailing modes of production and consumption in the industrialized countries are unsustainable and should be changed, for they threaten the very survival of the planet. We firmly believe that technological innovations should be systematically evaluated in terms of their economic, social and environmental impact, with the participation of all the social sectors involved, including the business community, Governments, the scientific community, and other groups that have not traditionally been part of this process. We call on the developed countries to fulfil their commitment to provide developing countries with financial resources and environmentally sound technologies on a preferential basis.

45. We advocate a solution for the serious global, regional and local environmental problems facing humanity, based on the recognition of the North's ecological debt and the principle of common but differentiated responsibilities of the developed and developing countries.

46. We recognize that information technology constitutes one of the pillars of technological revolution and represents one of the most powerful development tools of our time. We should take full advantage of this unique opportunity to use information technology for development and to ensure that its benefits reach our people, as the future of the South depends on the inclusion of information technology in its economic and social development programmes. In this context, we underline the need to establish global knowledge partnerships that include encourage to developed countries to provide developing countries with the necessary assistance.

47. While we believe it is urgent to enhance our access to global information networks and to improve the benefits derived therefrom, we also emphasize the need to preserve our national and regional diversity of traditions, identities and cultures which may be affected by the globalization process, and to achieve a connection to contemporary international information and knowledge that does not entail sacrificing our national and regional cultures and identities. It is thus, it is necessary to pay special attention to the homogenizing tendencies that may threaten this diversity. In this context, we welcome the proclamation by the United Nations General Assembly of the year 2001 as the Year of Dialogue among Civilizations and stress the importance of this initiative as a means of enhancing understanding of diverse cultures and promoting North-South and South-South cooperation in a globalized world.

48. We firmly reject the imposition of laws and regulations with extraterritorial impact and all other forms of coercive economic measures, including unilateral sanctions against developing countries, and reiterate the urgent need to eliminate them immediately. We emphasize that such actions not only undermine the principles enshrined in the Charter of the United Nations and international law, but also severely threaten the freedom of trade and investment. We therefore, we call on the international community neither to recognize these measures nor apply them.

49. We are committed to promoting democracy and strengthening the rule of law. We will promote respect for all universally recognized human rights and fundamental freedoms, including the right to development. We pledge ourselves to provide transparent, effective and accountable governance, responsive to the needs of our peoples, which is necessary for economic growth, peace and prosperity. We reaffirm that every State has the inalienable right to choose political, economic, social and cultural systems of its own, without interference in any form by other States.

50. We express grave concern over the impact of economic sanctions on the development capacity in the targeted countries, in this context noting that Libya has now fulfilled all its obligations in terms of pertinent Security Council resolutions, and we urge the Security Council to adopt a resolution completely lifting the sanctions against Libya. We also call for the immediate lifting of all unilateral sanctions imposed against Libya outside of the United Nations system.

51. We affirm that bringing an end to the Israeli occupation and establishing a comprehensive, just and lasting peace in the Middle East is a prerequisite for economic and social development in the region. We reaffirm our support for the Middle East peace process on the basis of Security Council resolutions 242 (1967), 338 (1973) and 425 (1978) and the principle of land for peace. Peace demands complete Israeli withdrawal from the occupied Palestinian territory, including Jerusalem, and the achievement of a final settlement by the agreed-upon deadline of September 2000, as well as the establishment of the State of Palestine with Jerusalem as its capital. It also demands complete Israeli withdrawal from the occupied Syrian Golan and the demarcation of the 4 June 1967 line, as well as the unconditional withdrawal from South Lebanon and Western Bekaa to the internationally recognized boundaries. We affirm that measures taken by Israel aimed at changing the legal status and the demographic composition of Jerusalem are null and void.

52. We call on all States in areas of conflict to refrain from attacks against civilian infrastructures, and consider the attacks on such targets as contrary to international law and detrimental to the pursuit of national economic and social development and to international trade.

53. We also express our deep concern over the air attack against the El-Shifa Pharmaceuticals Factory in the Sudan on 20 August 1998, and its negative impact on that country's economic and social development. We express our support and solidarity with the Sudan for its demand for a just and fair consideration of the matter by the United Nations on the basis of international law.

54. We stress the need to maintain a clear distinction between humanitarian assistance and other activities of the United Nations. We reject the so-called "right" of humanitarian intervention, which has no legal basis in the United Nations Charter or in the general principles of international law. In this context, we request the Chairman of the Group of 77, in conjunction with the Chairman of the Non-Aligned Movement (NAM), through the Joint Coordinating Committee, (JCC), to coordinate consideration of the concept of humanitarian intervention and other related matters as contained in the 1999 Report of the United Nations Secretary-General on the work of the Organization. We further stress the need for scrupulously respecting the guiding principles of humanitarian assistance, adopted by the General Assembly in its resolution 46/182, and emphasize that these principles are valid, time-tested and must continue to be fully observed. Furthermore, we stress that humanitarian assistance should be conducted in full respect of the sovereignty, territorial integrity, and political independence of host countries, and should be initiated in response to a request or with the approval of these States.

55. We call upon the international community to provide the necessary assistance to landmine clearance operations, as well as to the rehabilitation of the victims and their social and economic integration into the landmine affected countries. We express concern over the residues of the Second World War, in particular in the form of landmines which cause human and material damage and obstruct development plans in some developing countries. We demand that the States responsible for laying the mines outside of their territories assume responsibility for the landmines,

cooperate with the affected countries to get rid of them, and contribute defraying the costs of clearance and provide compensation for any ensuing losses and for reclaiming the affected areas for productive purposes.

56. We also express dismay at the increasing number of children involved in and affected by armed conflict. We call upon the international community to take concerted action to prevent and stop the use of children in armed conflicts and to assist in the rehabilitation of those affected children, as they are the future generation who would otherwise be able to contribute meaningfully to development.

57. We note with deep concern the increase of all kinds of criminal activities, including illicit traffic of arms, drugs and other products which are used to foster and finance organized crimes and all types of transnational crimes which continue to be a major factor of instability and a threat to development. In this context we are also deeply concerned by the trafficking of women and children, which is not only an offense against human dignity, but also a violation of International Law. We call upon all countries to join the multilateral effort of the international community to develop mechanisms that will strengthen cooperation in terms of prevention and elimination of these activities, so that the stability and prosperity of all economies and societies can be guaranteed.

58. We have appraised the importance of the Millennium Summit, and reaffirm the need for the Group of 77 and the NAM to duly coordinate their positions. In this regard, we endorse the proposal of the Joint Coordinating Committee that within the overall theme of the interactive debate being held at the South Summit on the role of the United Nations in the 21st century, there should be two subthemes, namely, "Peace, security and disarmament" and " Development and poverty eradication", and emphasize the need for developing countries to coordinate their positions to ensure, that their common interests and positions on every aspect of the two subthemes are fully reflected in the outcome of the Summit.

59. We welcome the decision to convene a special session of the General Assembly in the year 2001 to review the implementation of the Programme of Action of the World Children Summit, and express our commitment to participate fully in the preparatory process for the special session with a view to improving the lives of children in our countries. We are concerned that economic and social marginalization of developing countries, especially the poorest nations, is having a deleterious impact on children.

60. In this context, we express our deep concern over the insufficient level of resources for development at the disposal of the United Nations, thus hindering its capacity to fulfil its main economic and social objectives in a manner commensurate with the needs and aspirations of the developing countries. We note with concern the increasing erosion of the role and the contribution of the United Nations to the promotion of genuine international cooperation for development. In this regard, we reiterate that the United Nations has a central role to play in world economic matters by promoting a vital boost to the development of the South and by transforming international economic relations, making them more fair and equitably and pledge our full support and determination to working towards its strengthening in this regard.

61. We believe that in order to realize the goal of universal peace and prosperity, we will need to promote international cooperation that is just and equitable, giving high priority to integrated and comprehensive development, which can be achieved only by working together, both among

ourselves and with the developed countries. We can make ourselves heard as a single voice, with the courage, perseverance, boldness and political will needed for the major and urgent transformations of the international economic system to which we all aspire.

62. In adopting this Declaration, we recognize the need for an action-oriented programme of practical solutions to be implemented within a specific timeframe. To guide us in this process, we adopt the Havana Programme of Action. The Chairman of the Group of 77 is requested to forward this Declaration and the Programme of Action to the President of United Nations General Assembly in order to be circulated as official documents of the Millennium Summit and the Millennium Assembly.

Annex II to the letter dated 5 May 2000 from the Permanent Representative of Nigeria to the United Nations addressed to the President of the General Assembly

Havana Programme of Action

I. INTRODUCTION

We the Heads of State and Government of the developing countries which account for almost four-fifths of the world's population, have assembled here in Havana for the first South Summit at a truly historic moment in the evolution of human society. At the dawn of a new millennium, our countries and people stand at the crossroads of history poised between the achievements of the past and the hope and expectations of a yet uncharted future. Rather than be passive witness of a history not of our own making, we in the South will exert every effort to shape the future through the establishment of a world order that will reflect our needs and interests while also laying the foundations for a more effective system of international development cooperation. To this end, we undertake to pursue a sharply focused action-oriented agenda geared to implementing a number of high priority initiatives within specified time frames. Accordingly, and in furtherance of our Declaration of the South Summit, we adopt the following final document which shall be known as the "Havana Programme of Action".

II. GLOBALIZATION

1. Globalization, through trade, investment and capital flows and advancements in technology, including information technology, has had a profound impact on all aspects of international relations. As a result of technological development, especially in the electronic, transport and communication sectors, there has been a proliferation of economic, scientific, technological and cultural innovations, which have greatly affected all areas of human life, and especially the process of development in the countries of the South.

2. Globalization can be a powerful and dynamic force for strengthening cooperation and accelerating growth and development. It presents opportunities, as well as risks and challenges. Globalization is a process which can be uneven and unpredictable, but if it is properly harnessed and managed, the foundations for enduring and equitable growth at the international and national levels can be laid. National efforts need to be complemented by intensified international cooperation in order to reverse the marginalization and manage the risks, overcome the challenges and seize the opportunities crated by globalization.

3. The empirical evidence shows, among others, that the income gap between developed and developing countries has widened. Even those countries which seem to have adapted well to globalization were the most seriously affected by the Asian financial crisis. It is clear that there is no automatic process by which income levels of developing countries will converge towards those of developed nations. The challenge before the international community is to ensure that globalization should takes into account the development dimension.

4. We are concerned about the increased marginalization of a large number of developing countries, especially Least Developed Countries, owing to the globalization process, particularly in the finance, trade and technology sectors. We emphasize the importance of the effective and beneficial integration of the LDCs into the global economy and the multilateral trading system as its main driving force. In this context, we agree that the United Nations is in a unique position, as a universal forum, to strengthen international cooperation for promoting development in the context of globalization; in particular the integration of developing countries into the globalizing economy, on terms in which as they are able to take full advantage of all their potentials for economic growth and development. In this regard, the forthcoming Millennium Summit presents an important platform to strengthen the role of the United Nations in international cooperation for development.

5. In addition, globalization has increased the vulnerability of those countries of the South, which are in the process of being integrated into the world economy. As the recent financial crisis has illustrated,

financial liberalization including speculative and volatile financial flows, over which the developing countries have little controls, in the absence of adequate institutional arrangements to manage the processes, has generated significant instability in the international economies, with specially disastrous results for the developing countries. Therefore, there is an increasing need for the reform of the international financial architecture. In this context, we should seek to ensure a more democratic and fair ordering of any mechanism which emerges from these discussions in order to increase the effective participation of developing countries in the management of the international economy. It will also be important to ensure that the reform of the international financial architecture addresses financing for development as well as issues of financial stability including the need for the regulation of hedge funds and highly leveraged institutions and strengthening of the early warning system to provide for improved response capabilities to help countries deal with the emergencies and spread of financial crises. In this context, UNCTAD should contribute to the debate on issues related to the strengthening and reforming of the international financial architecture by continuing to provide relevant analysis from a development perspective. The focus should be to achieve the objective of financing for development.

6. We stress the need for adjustment of the policies of developed countries which should lead to an improved market access for the exports of developing countries and the elimination of protectionist and support measures especially in agriculture, textile and clothing sectors. We also call for the mandated negotiations on agriculture in accordance with the provisions of article 20 of the Agreement on Agriculture. In agriculture the objectives should be to incorporate the sector within normal WTO rules.

7. Vulnerability and volatility are major impediments to the countries of the South and contribute to perceived risks and difficulty in attracting foreign direct investment in developing countries, making ODA a crucial source of finance for developing countries and stressing the need for the continuation of flexible graduation procedures by the Bretton Woods Institutions. The completion of the work on a vulnerability index would be an important step in assisting multilateral institutions to assess effectively the needs of developing countries. As a number of underlying principles governing globalization and trade liberalization have been formalized in the agreements emanating from the Uruguay Round of multilateral trade negotiations, there is a need to address those aspects which have clearly operated to the disadvantage of developing countries and immediately implement fully the provisions for special and differential treatment in favor of developing countries. We are distressed that since the Ministerial Meeting in Marrakech held in 1994 establishing the WTO, little has been done to develop an effective program of concrete measures to assist the integration of these countries into the multilateral trading system. Of concern also is the volatility of international markets which have witnessed the deterioration of prices of commodities and terms of trade, which have imperiled the ability of developing countries in the global economy.

8. In this respect, it is necessary to adopt measures that improve access, for all products of export interest to developing countries, to the markets of developed countries, by means of reducing or eliminating tariff and non-tariff barriers, and by introducing measures that support capacity-building for production and export in our countries, as well as other measures that help to guarantee the stability of the prices of these products in the international markets. Within the framework of the WTO, to promote the idea of the creation of a fund for development.

9. Furthermore, increased international interaction, which has taken place in the context of globalization, has also led to problems which require enhanced international cooperation and solidarity for their resolution. Maximizing the benefits of globalization requires sound domestic macroeconomic policies supported by an enabling global environment and international economic cooperation. It is imperative that a collective solution is found to wide-scale collective problems. Globalization calls for approaches and methods in line with the global level of the problems facing the world; it calls for a view

which includes the large majority and is based on an essential sense of social justice and human solidarity. In general, it will be necessary to ensure greater coordination in international policy-making.

10. Globalization and interdependence, whilst strengthening common values, should boost and maintain local development, taking into account the traditions, culture and identity of the people, who together make up the common heritage of humanity. Special attention should be paid to preserve diversity which is the principal wealth of human development. Respect and tolerance for cultures and cultural identity would contribute to peaceful co-existence and economic development.

11. We reaffirm the right to self-determination of all peoples, in particular of peoples under colonial or other forms of alien domination or foreign occupation, and the importance of the effective realization of this right, as enunciated, *inter alia*, in the Vienna Declaration and Programme of Action adopted at the World Conference on Human Rights. We decide to continue working for removing the obstacles to the realization of the right of peoples to self-determination, in particular of peoples living under colonial or other forms of alien domination or foreign occupation, which adversely affect their social and economic development. We are deeply concerned also over the gravely negative impact of foreign occupation on the social and economic development of peoples under foreign occupation, and, in this context, we also reaffirm the principle of permanent sovereignty of peoples under foreign occupation over their natural resources.

12. We stress that democracy, respect for all internationally recognized human rights and fundamental freedoms, including the right to development, transparent and accountable public administration and governance, responsive to the needs of peoples, in all sectors of society, as well as effective participation by our citizens and their organizations are an essential part of the necessary foundations for the realization of people-centered sustainable development. We also stress that every State has the inalienable right to choose political, economic, social and cultural systems of its own, without interference in any form by another State.

We, the Heads of State and Government, commit ourselves to the following decisions and actions:

(1) To respond to globalization with a view to making it beneficial for all countries and peoples, and to actively promote effective participation of developing countries in the international economic policy decision making in the context of the globalizing world economy

- Convene, in consultation with member States from the South a High Level Advisory Group of eminent personalities and intellectuals to prepare a report on globalization and its impact on developing countries, and report to the annual Ministerial Meeting in the year 2001.

- Intensify efforts to review and reform the WTO regime with a view to promoting a multilateral trading system that is fair, equitable and rules-based, and that operates in a non-discriminatory, inclusive and transparent manner, and in a way that provides benefits for all countries, especially developing countries. This will involve among other things, improving market access for goods and services of particular interest to developing countries, resolving issues relating to the implementation of WTO agreements, fully implementing special and differential treatment, facilitating accession to the WTO, and providing technical assistance. Invite member States to consult and make efforts as necessary for coordination of the position of developing countries prior to UNCTAD and WTO meetings, including through Ministerial Meetings

- Work to ensure that countries whose economies depend heavily on trade preferences be accorded the necessary transition period by the World Trade Organization to adjust to the new liberalized regime.

- Work within all relevant fora to ensure the establishment of a work programme for small economies to enhance their capacity to participate more effectively into the international trading system.

- Work towards reform of the international financial architecture that addresses issues of financing for development and stability of the international financial system including the need for regulation of hedge funds and highly leveraged institutions and strengthening of the early warning system to provide for improved response capabilities to help countries deal with the emergencies and spread of financial crises.

- Oppose application of all disguised protectionist measures such as labour standards and the attempts to further widen the environmental windows currently existing under the rules. We pledge to work together to ensure that linkages which act to curb the comparative advantage of developing countries are eschewed in WTO.

- Press for the freer movement of natural persons, in which developing countries have comparative advantage in the global economy, thus matching the arrangements applied in other areas such as finance and services. While the capital markets have been opened, including in developing countries, there has hardly been any movement in opening of the labour market in developed nations, particularly within the context of forthcoming negotiations on trade.

- Call on the relevant institutions to work towards the early completion of a vulnerability index.

- Urge UNCTAD to assist in collaboration with Common Fund for Commodities developing countries and upon request, in handling commodities in an integrated manner with attention on improving their prices, developing their processing, transportation and availability of capital and technology for production. We also urge UNIDO to continue its assistance to developing countries to enable them to diversify their economies.

- Pursue efforts to harmonize the South's position on monetary and financial matters and in this context welcomes the decision adopted by the Twenty-sixth meeting of the Chairmen/Coordinators of G-77 Chapters held in Geneva, from 6 to 7 April 1999, to convene annual coordinating meetings between the Chairmen of the G-77 and G-24 prior to the IMF/World bank spring and autumn sessions.

(2) To revitalize and strengthen the role of the UN system in promoting development and international cooperation in the context of globalization

- Work for decisions on critical economic issues in institutions such as IMF, World Bank and the WTO, which promote the interests of developing countries through effective and full participation of all and on the basis of sovereign equality, and by asserting the key role of the UN in this sphere.

- Work towards strengthening the role of UNCTAD and the coordinating role of ECOSOC and the regional commissions in addressing the economic and social development priorities of developing countries.

- Continue to pursue the complementarity and coordination among the UN agencies, especially UNCTAD and other relevant international organizations including the IMF, the World Bank and

the WTO with the view to promoting the development of developing countries while avoiding the imposition on governments of cross-conditionalities and other conditions which would operate to restrict their policy options further.

(3) To preserve and promote cultural diversity especially in the context of globalization

- Invite national governments and institutions of the South to preserve and promote diversity in traditions, culture and identity of the people, as well as indigenous and local traditional knowledge, practices, and technology for achieving local development and request the Chairman of Group of 77 to examine the possibility of organizing a Southern Cultural Assembly, Art Festival of the South on a biennial basis. The Chairman would present his recommendations to the next Ministerial Meeting.

- Invite governments and institutions of the South to promote and intensify cultural exchanges and tolerance among the developing countries.

(4) To utilize institutions in the South in meeting the challenges of globalization

- Invite the Chairman of G-77 to coordinate the networking of research institutions and centers from the South to undertake analytical and prospective research on globalization and related matters, with a view to strengthening the Group's negotiating capacities in various G-77 Chapters.

- Intensify efforts at institutional capacity building, including through the exchange of expertise, experiences, information, and documentation between the institutions of the South in order to develop human resources and strengthen the institutions of the South.

III. KNOWLEDGE AND TECHNOLOGY

1. Today, more than ever, rapidly advancing scientific and technological developments, particularly in areas such as microelectronics, biotechnology and information technology, have played a critical role in economic and social development and have, therefore, influenced all areas of human endeavour. We are in the midst of a profound revolution of knowledge and technology. Therefore, we acknowledge that to invent, innovate, generate, acquire, absorb and use knowledge in any manner possible has been an important contribution to economic growth and the raising of standards of living for a long-term.

2. We recognize that there has been a shift from manufacturing to information and knowledge-based production activities in the global economy over the last two decades. Information Technology (IT) presents the most powerful technological revolution of our time. Its impact and rapid pace are ushering in fundamental changes that will define the challenges and opportunities for all countries in the future. Information Technology could become an effective instrument for fostering equality in the field of economic growth and development and for narrowing the gap between the developed and the developing countries, as well as for facilitating access to knowledge and education at all levels of society. We should take full advantage of this unique opportunity to help shape the use of Information Technology and to ensure that its vast benefits reach all humankind by undertaking efforts to make it more widely accessible to and within developing countries.

3. We note with concern that developing countries lag far behind in knowledge generation and its application to new areas of industry which provide increasing returns and rapid increases in income. With their modest investment in research and development, the countries of the South find it difficult to keep

pace with these developments. The disparity between the developed and developing countries in their respective capacity to produce scientific and technical knowledge and to utilise this knowledge in support of social and economic development has emerged as a major problem facing the international community. The technology gap between developed and developing countries has become an important cause of the increasing income gap between developed and developing countries and this gap is likely to increase further if developing countries cannot become actively involved in developing those new industries based on the application of knowledge and technology.

4. Advances in technology also carry risks and uncertainties and even have potentially destructive implications, particularly in terms of their impact on the environment. More than ever, science and technology are also likely to exert a major influence on the way in which the earth's resources are utilised and shared among its inhabitants. Scientific knowledge is therefore emerging as a major source of power and influence and as a key factor in determining the sustainability of our planet and the future prospects of mankind. This challenge implies the need to elaborate an appropriate strategy designed to promote international cooperation in the field of science and technology.

5. We are deeply concerned that the role of the United Nations, which was given the mandate at the 1979 Vienna Conference on Science and Technology, has been progressively marginalised over the years.

6. Moreover, the provisions under TRIPs agreement relating to the transfer of technology should work to the mutual advantage of producers and users of technical knowledge and should facilitate transfer of all required technologies to developing countries. Faced with the threat of increasing technological marginalization of the South, we have decided to make science and technology a priority item on the national agenda as well as in the area of South-South cooperation. We also intend to re-introduce the subject as a major item on the international development agenda, since science and technology can help the countries of the South to address more effectively the challenges faced by the South.

7. We are aware that a number of barriers have prevented the developing countries from seizing opportunities to exploit science and technology including lack of resources to generate and exploit traditional knowledge, particularly those of indigenous communities, the non-recognition of traditional knowledge - in technological development and patenting, lack of infrastructure, prohibitive costs of acquiring knowledge and technology and small size of their economies, including the challenges resulting from the changing role of the State, the emergence of such patenting which promotes corporate monopoly and the progressively decreasing importance assigned to science and technology on the international development agenda.

We, the Heads of State and Government, commit ourselves to the following decisions and actions at the national and international levels:

(1) Promotion and development of knowledge and technology in the South

- Work towards achieving the objective of eradicating illiteracy and to promoting the concept of Education for All Throughout Life, through steps to promote basic education, ensuring special emphasis on the promotion of girls education, and higher level education, strengthening of education infrastructure and non-formal methods of education;

- Work towards addressing basic and other infrastructural impediments to the spread of knowledge, such as provision of electricity, transport and better telecommunication facilities, as well as finding ways, where appropriate, to remove the impediment on regional and interregional basis.

- Allocate adequate resources including from national budgets to further the access, specially of children and youth, to basic and higher level education and to strengthen science and technology sectors within our countries and to increase the percentage of GNP allocated to the development of research in the field of science and technology;

- Publish, on annual basis, national reports that provide data on national scientific and technology capacities as well as a roster of national researchers in different fields of science and technology;

- Establish, at the national level, networking of research institutions dealing with science and technology and promote closer links between universities, research institutions, industry and scientists. These networks should involve and link people, governments, private and public sectors, civil society and scientists of the South based in the North;

- Work together as countries of the South to exchange experiences and cooperate with others among us who have a competitive advantage in areas such as bio-engineering, communications, communication, administration and production, education, transport, banking and software development.

- Decide to establish a G-77 science and technology award for individuals from the South who have distinguished themselves in the area of science and technology.

- Promote the establishment of venture capital funds in our respective countries to promote science and knowledge based industries.

(2) To encourage the institutions of the South to launch further initiatives to promote knowledge and technology in developing countries

- Establish a trust fund for the promotion of knowledge and technology in the South. Seed money for the Fund may be provided on a voluntary basis by governments, private sector, foundations and other organizations. The Chairman of the Group of 77 should initiate action for the establishment of such a trust fund and report to the following Ministerial Meeting on this issue;

- Establish a consortium on knowledge and technology comprising representatives from the governments, private sector and other relevant organizations which should meet on a regular basis in order to promote joint ventures in the South in the field of science and technology. The Chairman of the Group of 77 should initiate action for the establishment of such a consortium and report to the following Ministerial Meeting on this issue;

- Encourage South-South scientific organizations and research institutions dealing with science and technology to further expand their South-South fellowships and training programmes and develop dynamic strategic alliances with governments, private and public enterprises, universities, laboratories and civil society;

- Exploit the potential of communications and information technology for the development of the South through the adoption of policies, and measures that should narrow the gap between developed and developing countries in information and communication technologies and to strengthen information technology networks at the regional, sub-regional and interregional levels with linkages to global information networks.

- Establish a South-South network, linking research & development (R&D) institutions and other centers of excellence in order to enhance the South's efforts in establishing strategic South-South programmes of R&D on the development of vaccines, drugs and diagnostics for the prevention and cure of major communicable diseases in the South, such as malaria, tuberculosis and HIV.

- Decide to consider, as soon as possible, the possibility of convening a South-South high level conference on science and technology, with a view to formulating global strategies and clear policies within the South for the promotion of science and technology.

(3) To harness the potential of human resources, including expatriates, from the South for the benefit of developing countries and to address the challenges associated with brain drain

- Create conducive conditions in our countries in order to attract and retain our important human resources.

- Encourage South-South transfer of skills and in this connection we urge the strengthening of the application of the United Nations Volunteers Programme for transfer of skills between countries of the South.

- Encourage research and scientific organizations from the South to open their chapters in developed countries. Expatriate scientists, professionals and research scholars from the South may be encouraged to run these chapters;

- Invite the Chairman of the Group of 77 in close coordination with the relevant G-77 Chapters to take necessary steps with a view to promoting, with relevant organizations of the UN system, Associate Schemes particularly in the field of communications, information and biotechnology. Such schemes would provide opportunities for scientists and professionals working and living in the South to have interaction with the fellow scientists in the North without permanently leaving their own countries and undertake further initiatives for the exchange of experiences and knowledge in order to achieve the universalization of knowledge and education.

(4) To create enduring international environment to ensure South's access to knowledge and technology and promote the United Nations central role in removing different barriers faced by the South in the acquisition of knowledge and technology

- Invite the Chairman of the Group of 77 in coordination with the various G-77 chapters to work towards the strengthening of the United Nations Commission on Science and Technology for Development, and arrangements within the UN system, including UNESCO and the regional commissions dealing with knowledge and technology, and promoting annual consideration of science and technology within the relevant committees of the United Nations.

- Call for a better coordination within the UN system in the field of science and technology with a view to enabling the developing countries to participate in the knowledge based global economy and to elaborate programmes to use science and technology as a vehicle for development.

- Increase public investment in technologies for development and work towards ensuring transfer of technologies to developing countries on preferential terms and invite developed countries and international organizations to adopt policies and programme with a view to ensuring that developing countries can measurably benefit from the advances in technologies owned by both public and private sectors;

- Work towards operationalising the provisions of the TRIPS agreement, articles 7 and 8 thereof, which facilitates the access to dissemination and transfer of technologies and to explore benefits that could accrue to developing countries and particularly least developed countries. In this context, invite developing countries to hold consultations, prior to international meetings related to the review of the TRIPS agreement with a view to achieving common positions in this field. In addition, efforts should be made to ensure that future TRIPS-related agreements extend the provisions for transfer of technology from developed to all developing countries on concessional and preferential terms.

- Invite the Chairman of the Group of 77 to explore the possibility of formulating proposals to ensure that the TRIPS agreement promote the development of developing countries, including the possibility for a code of conduct for all countries which facilitate the access to, dissemination and transfer of technologies on concessional and preferential terms from developed to developing countries.

- Work towards full implementation of provisions of various conventions and agreements in order to ensure that proprietary patents based on traditional knowledge in all aspects including those of indigenous communities are developed only after obtaining the prior informed consent of the developing countries concerned after reaching agreement on benefit sharing with these developing countries, which are storehouses of such bio-diversity and traditional knowledge. Work towards fulfilling the clear and pressing need to extend and render effective protection to indigenous biotechnology, developed over the millennia, to ensure a flowback of benefits from patentees to original developers.

- Strengthen the UN bodies dealing with science and technology including the promotion of the implementation of the Vienna Plan of Action on Science and Technology adopted in 1979.

- Make universally accessible, proven appropriate technologies and safe and affordable, essential medicines to prevent and mitigate HIV/AIDS pandemic and other communicable diseases in order to arrest their catastrophic human and economic impact on developing countries.

IV. SOUTH-SOUTH CO-OPERATION

1. South-South cooperation is a crucially important tool for developing and strengthening the economic independence of developing countries and achieving development and as one of the means of ensuring the equitable and effective participation of developing countries in the emerging global economic order. Economic and Technical Cooperation among Developing Countries (ECDC/TCDC) have become an integral part of the mutual relations between the States of the South and an important means of promoting the exchange of ideas, experience, knowledge, technical advances, skills and expertise across a broad range of sectors. It also remains a key vehicle for forging common positions in international forums on issues of concern to developing countries.

2. Since the establishment of the Group of 77 in 1964, we have formulated a number of platforms, strategies and plans of action on South-South co-operation. We recognize that the Non-Aligned Movement, as the other prominent platform of the South, has also adopted a number of action-oriented South-South programmes. Taken together, these documents set out a comprehensive philosophy and framework for action aimed at promoting an intensified pattern of co-operation among our countries in a wide range of areas such as trade, investment, technical cooperation, industrialization, energy, food and agriculture, and technology.

3. In the light of current global economic environment, which has been markedly influenced by the process of globalization, we agree that the need for strengthening South-South Cooperation is greater now than ever. We note, however, that although there has been an increasing pattern of co-operation among our countries, progress over the years has not been commensurate with the comprehensive nature of the commitments embodied in the various declarations and programmes of action. The lack of effective follow-up and implementation have militated against full exploitation of the potential of South-South co-operation. This has also tended to lessen the impact and effectiveness of such co-operation in recent years. We reaffirm the continued relevance and viability of South-South cooperation in view of the increasing differentiation among the developing countries in terms of level of development. Increasing contacts and interaction has provided an additional basis for increased co-operation among the countries of the South.

4. We emphasize that special attention should be paid to the Least Developed Countries owing to their particular needs so that they can effectively participate and benefit from programmes of economic and social cooperation among developing countries in all fields of such cooperation.

5. The tendency for decisions taken in multilateral fora at the global levels, to impact directly on the developing countries, makes it all the more necessary for our countries to foster increased co-operation and co-ordination of effort.

6. In addition, the increasing importance of subregional and regional economic groupings and arrangements in the South provide a powerful dynamic for enhanced South-South cooperation. Varying development experiences and know-how existing in developing countries as well as similar needs and problems offer opportunities for greater bilateral, subregional, regional and international cooperation among developing countries. The potential of these arrangements needs to be fully exploited.

7. We are convinced that the United Nations Convention to Combat Desertification, as a development convention, is an appropriate framework to promote sustainable development in developing countries, and that South-South cooperation could contribute to the implementation of this Convention. In this regard, we welcome the adoption of Platforms for action at the Second Africa-Asia Forum (Niamey, 1998) and at the second Africa-Latin America and the Caribbean Forum (Bamako, 2000) as an important contribution to the implementation of the Convention.

8. As eradication of poverty and inadequate access to basic social services remain major challenges facing the majority of the South, the social sector offers genuine complementarities to provide scope and ample potential for effective mutual cooperation through sharing of experiences, resources and institutional capabilities among developing countries, as appropriate.

We, the Heads of State and Government, commit ourselves to the following decisions and actions:

(1) To renew efforts to stimulate the expansion of South-South trade and investment in order to accelerate economic growth and development of the South.

- Decide to consider further deepening and expansion of the GSTP in order to enhance its effects, through examination of possible ways of rationalizing the process of negotiations for a third round of GSTP negotiations.

- Decide to review the implementation and the performance and impact of the Global System of Trade Preferences (GSTP) among developing countries with a view to deepening and expanding the GSTP and invite the Chairman of the Group of 77, in coordination with the Geneva Chapter,

to convene an intergovernmental consultative meeting as soon as possible and to request UNCTAD to contribute to this process.

- Invite the Chairman of the G-77, in consultation with the Chairman of the G-77 Chamber of Commerce and Industry, to convene an extraordinary meeting during the course of this year, to review the performance of the chamber, the operating modalities and its mandates as well as its subsidiary bodies, and to formulate a specific programme of work and to report on regular basis to the Chairman of G-77 on its activities. Also requests the Chairman of G-77 to present regular reports to the Ministerial Meeting of G-77 on the activities of the Chambers.

- Strengthen current modalities and mechanisms for South-South cooperation, including by regional economic groupings, and other relevant institutions, while enhancing and readapting these modalities wherever necessary.

- Intensify bilateral, subregional, regional and interregional cooperation and integration in all modes of transport among developing countries.

- Encourage the landlocked developing countries and the transit developing countries to further strengthen their collaboration and cooperation, through the implementation of existing transit arrangements and agreements between them and consideration of new arrangements and agreements in order to enhance the efficiency and increase the flow of transit trade without prejudice to the interests of the transit countries. In this regard, the convening of the Ministerial Meeting on Transit Transport Cooperation to be held in 2003, is strongly emphasized.

- Invite the Chairman of Group of 77 to encourage regular organization of a business forum and a South-South trade and investment fair and to take urgent necessary steps with a view to identifying the venue of the first trade and investment fair and business forum to be held in the year 2002.

- Harness effectively industrial complementarities among countries of the South, including through promotion of practical initiatives in the area of industry involving interested countries, with a view to increasing the productive capacity and value added in developing countries and fostering enhanced South-South investment. In this context, we invite the Chairman of the Group of 77 where requested to seek the support of relevant UN agencies in this endeavour.

(2) To strengthen cooperation in the monetary and financial field

- Note the initiative of G-77 Chamber of Commerce and Industry to establish a G-77 Trade Development Bank with its headquarters in Nairobi and branches in all regions of G-77, and the financial support provided by the Government of Kenya for a feasibility study of the Bank. In that regard, request G-77 Chamber of Commerce and Industry to submit a report on the project as well as the Chamber's activities and operational modalities, through the Office of the Chairman of G-77, to the next Ministerial meeting of the G-77 in New York.

- Continue to review the proposal of the establishment of a South-South monetary fund, South-South economic and social development fund and a South-South commodity price stabilization fund, within the process of reviewing the feasibility study of the South Bank initiative undertaken by the Group of 77 in 1983 as an innovative financial arrangement of the South to build up capital markets and facilitate South-South trade and investment, and invites the Chairman of the Group of 77 to report on this matter to the forthcoming ministerial meeting of the Group of 77.

- Create at the national level institutional arrangements for developing and strengthening capital markets in the countries of the South.

- Establish linkages between the stock exchanges and secondary bond markets of the regions of the South.

(3) To strengthen cooperation in promoting social development including the enhancing of capacity-building and human resources

- Decide to exchange experiences on:

  (i) effective and pro-poor health care delivery, specially primary health care, population planning and education programmes, particularly basic education, developed in the South based on local skills and resources that can fit into diverse needs of communities.

  (ii) innovative arrangements including centers of excellence established in the South for greater spread and utilization of knowledge existing in the South in the field of social development.

  (iii) successful programmes focussing on youth, children and women.

  (iv) arrangements and incentives to attract more capital, particularly in pharmaceutical industry, to generate more research aimed at finding remedies at affordable cost to diseases that have wide prevalence in the South.

  (v) further actions to encourage spread of various alternative forms of medicine existing in the South.

- Invite national governments to compile and disseminate updated information and expertise available within countries to facilitate greater interaction and networking among the developing countries in all areas of social development.

- Pursue more vigorously the implementation of South-South technical cooperation agreements established at the bilateral and multilateral levels in the economic, social, scientific and cultural fields, and invite national governments to exchange information on technical cooperation schemes they have successfully established.

- Invite member States to consult and coordinate, as necessary, their position prior to the annual general conferences of all relevant intergovernmental organizations.

(4) To promote multilateral cooperation and arrangements towards the expansion of South-South cooperation

- Invite G-77 countries to contribute to the expansion of the resources of the Perez-Guerrero Trust Fund for Economic and Technical Cooperation among Developing Countries (PGTF) in accordance with the relevant decision adopted by the Twenty-first Annual Ministerial Meeting of the Group of 77 held in September 1997 in New York, and invite the Chairman of the Group of 77 in coordination with the Chairman of the Committee of Experts of PGTF to intensify their efforts with the developed countries and relevant international organizations and private sector to

support the expansion of the PGTF, and invite the Chairman of the Group of 77 to report on the matter to the forthcoming Ministerial Meeting of the Group of 77.

- Invite developing countries as well as developed countries to contribute generously to the UNDP Trust Fund on South-South Cooperation with a view to supporting the promotion and the implementation of South-South projects and initiatives adopted by the G-77 South Summit, and invite the Chairman of the Group of 77 and the Administrator of UNDP to report to the forthcoming Ministerial Meeting of the G-77 on this matter.

- Invite the Chairman of the Group of 77 to take the necessary steps for the publication, in collaboration with the TCDC Unit of UNDP, of an annual report on South-South cooperation which comprises, *inter alia*, programmes of ECDC/TCDC implemented by member States, including a list of national focal points in charge of ECDC/TCDC.

- Encourage the establishment of a network among focal points of developing countries by the Special Unit for TCDC, in the context of the creation of a multidimensional web of information for development.

- Decide to revitalize the role of various G-77 actions committees in various fields of cooperation as provided for in the Caracas Programme of Action, and invite the Chairman of the Group of 77 to propose mechanisms and arrangements to this end.

- Invite the Administrator of the UNDP to strengthen the TCDC Unit as the UN focal point for South-South cooperation through the preservation of its separate identity and the provision of adequate resources to ensure the full implementation of decisions of the South Summit under its sphere of competence and to enable it to carry out its relevant mandates and responsibilities.

- Invite the Chairman of the Group of 77 to conduct appropriate consultations with a view to identifying a possible venue for the tenth session of the Intergovernmental Follow-up and Coordination Committee on ECDC (FCC-X) to be held during the second half of 2000 in Africa as well as ensuring the regular meetings of the IFCC and to report to the forthcoming ministerial meeting of the Group of 77 on this matter.

- Promote the further use of experts from developing countries in the programmes and projects of the UN system executed in developing countries and invite the Chairman of the Group of 77 to take necessary steps with view to encouraging action in that regard.

- Identify and assess our needs as well as our capabilities and make them well known to other developing countries to promote complementarities and increase South-South cooperation.

- Encourage partner developing countries, within the context of the list of projects, to take effective steps for early implementation of such projects. In this regard, examine the creation of an open portfolio of projects on continuing basis.

- Invite developing countries to promote further initiatives on regional and sub regional cooperation to enhance economic development.

- Invite international organizations and developed countries to further promote and facilitate South-South Cooperation through triangular arrangements.

- Invite developing countries to pursue further efforts to strengthen institutional support for South-South Cooperation with a view to maximizing the potentials of such cooperation among developing countries.

- Decide to convene a high level conference on South-South cooperation in the year 2003 and invite the Chairman of the Group of 77 to take necessary steps towards the implementation of this decision and to regularly report to the next annual ministerial meetings of the Group of 77 on this matter.

- Work to operationalize the Africa-Asia and Africa-Latin America and the Caribbean Platforms for action on the implementation of the Convention to Combat Desertification and call upon the international community to lend its full support to this cost effective and efficient initiatives.

V. NORTH-SOUTH RELATIONS

1. We are deeply concerned about the current state of North-South relations and the weakening of the commitment of the developed countries to international cooperation in support of development that was a hallmark of these relations prior to the 1980s. The post-cold War period with its promise of a peace dividend has not fulfilled the hopes and expectations of the developing world. Instead, we have witnessed a weakening of the commitment of the developed countries to international cooperation in support of development. At the same time we also noted with concern the declining commitment to multilateralism which has negatively affected international cooperation for development. In fact, despite the growing prosperity of the North, the level of finance for development for multilateral assistance including ODA has experienced a continuous decline over the years.

2. We have also witnessed with concern the marginalized role of the UN in decision making on the major international economic issues and the shift of such decision making to the Bretton Woods institutions, in which developed countries exercise effective control by virtue of the system of weighted voting, and to the WTO in which they have sought to pursue non transparent and exclusive decision making procedures inimical to the interest of the developing countries. These developments have adversely affected the climate for pursuing a constructive and effective dialogue between North and South in order to strengthen international economic cooperation.

3. It is our considered view that the creation of a stable international economic system supportive of development rests critically on the renewal of an effective North-South Dialogue aimed at the reinvigoration of international development co-operation geared to development and the increasing democratization of global economic decision-making structures. We strongly believe that such co-operation would need to be approached in a manner which is perceived by the developing countries to be equitable and fair and that will lead to fostering political will of all countries to build a constructive dialogue based on the spirit of partnership, common but differentiated responsibility, mutual benefit, and genuine interdependence.

4. Within this framework we believe that a renewed North-South Dialogue should seek to achieve two major objectives namely, the restoration of the focus on development in existing international relations and the need to correct the imbalance in the operation of the international economic system which has placed the developing countries at a clear disadvantage vis-à-vis the developed countries.

5. For North-South relations to play a more dynamic and central role in the global economy, we need to thoroughly evaluate the obstacles in the way these relations were conducted. We will also assess our potentials and strengths with a view to formulating strategies to effectively confront these challenges.

6. In the context of North-South dialogue, special attention should be given to the solution to critical problems for developing countries, such as restrictions to world trade hindering development, the volatility and instability of the international financial system and the drastic reduction of financial flows under preferential terms and conditions towards the countries of the South; the widening technological gap between the North and the South; the worrisome foreign debt of developing nations and the extremely unequal distribution of world income to the detriment of the most vulnerable economies.

7. The process of globalization and any multilateral negotiations on agriculture must take fully into account concerns and special needs, including those related to food security and rural employment, of developing countries which are predominantly agrarian economies.

8. Recognizing that food security is an important issue, we call for the expeditious implementation of the Marrakech Ministerial decision on measures concerning possible negative effects of the reform programme on least developed and net food importing developing countries.

9. For the global economy to recover, it will be necessary to restore confidence in the international trading system, and offer new opportunities for the countries of the South to ensure access the markets of developed countries. Towards this end multilateral trade negotiations should pay special attention to the development dimension of international trading arrangement. Similarly, the principle of non-reciprocity and the preservation and full implementation of special and differential treatment for developing countries should be firmly entrenched in the multilateral trading system.

10. In the spirit of fostering North-South relations we underline the necessity for developed countries to eliminate laws and regulations with adverse extraterritorial effects and other forms of unilateral economic coercive measures, inconsistent with the principles of international law, UN Charter and the principles of the multilateral trading system.

11. We also express our grave concern over the impact of economic sanctions on the civilian population and development capacity in targeted countries and therefore urge the international community to exhaust all peaceful methods before resorting to sanctions, which should only be considered as a last resort. If necessary these sanctions must be established only in strict conformity with the Charter of the United Nations with clear objectives, clear time frame, provision for regular review, precise conditions for their lifting and never be used as a form of punishment or otherwise exact retribution.

12. We express deep concern over the air attack against El-Shifa pharmaceutical factory in the Sudan on 20 August 1998. We recognize that such an act has had a negative impact on the economic and social development of the concerned country and express our continued solidarity and support of its demand for a just and fair consideration of the matter in accordance with the Charter of the United Nations and International Law.

We, the Heads of State and Government, commit ourselves to the following decisions and actions:

(1) Foster a new North-South partnership in order to promote consensus on key issues of international economic relations and development

- Revitalize the North-South dialogue and to that end, invite the Chairman of the Group of 77 to take necessary steps to convey promptly the G-77 concerns and interests to our developed partners, including through the meetings of G-8, and to initiate appropriate action with a view to strengthen the existing international arrangements within the UN system in coordination with other groupings from the South.

- Request the High-level Advisory Group of Eminent Personalities from the South, while preparing its report on globalization and its impact on developing countries, to include therein a comprehensive assessment of the North-South dialogue.

- Work towards the formulation of a comprehensive international strategy to reverse the decline in ODA, to achieve the target of 0.7% of GNP of developed countries by the end of the first decade of the twenty-first century and also within that target ensure to earmark 0.15% of their GNP for the LDCs and to endeavour to reach the target of 0.20% for the LDCs by the year 2000.

- Work towards outright cancellation of unsustainable debt of developing countries, and reaffirm the need of a just and lasting solution to the problem of the foreign debt of developing countries, which considers the structural causes of indebtedness and prevents the recurrence of this phenomen in the future. In this regard, we attach special priority to the creation of appropriate conditions worldwide to curb financial volatility, ensure the necessary institutional reforms and reactivate the financial flows towards the countries of the South, and other ways of financing for development.

- Welcome and fully support the holding of the Third UN Conference on the LDCs in 2001, as mandated by the UN General Assembly. In this context, we urge all countries, the international organizations, the Funds and Programmes and International Financial Institutions to effectively participate in the preparatory process for the Conference so that a meaningful outcome could be achieved for implementation.

- Work towards an enabling international economic environment conducive to full implementation of Uruguay Round agreements in particular the operationalization and strengthening of the measures relating to the special and differentiated treatment for developing countries and the GSP and proper functioning of all principles of free multilateral trading system including its universality.

- Work towards incorporating the agriculture sector within normal WTO rules, addressing the particular problems of predominantly agrarian economies, small island developing economies and net food importing developing countries.

- In order to enhance the incorporation of the agricultural sector within the WTO rules, the necessary measures should be taken so as to fully address the particular problems of predominantly agrarian developing economies, small island developing economies and net food importing developing countries.

- Pursue action to encourage the major economies of the North, particularly the G-8, to enhance coordination and coherence of their macroeconomic policies with development objectives of the South.

- Support reforms, which should lead to the emergence of a new financial architecture, that ensures full participation of the developing countries in the international economic policy decision-making and that ensure stability, transparency and democratic functioning of the international financial system.

- Work to ensure for the effective integration of all countries into the international trading system including improving supply side capabilities of developing countries especially the least developed among them, overcoming the debt problem and to create conditions in our countries to

attract adequate financial flows, including ODA, and to ensure institutional reforms and reducing financial volatility.

- Work towards ensuring that rescheduling of debt or its cancellation is financed through additionality of resources and not at the cost of other forms of official development assistance.

- Work towards achievement of the universal membership of the World Trade Organization as soon as possible in order to strengthen the multilateral trading system. We strongly believe that appropriate assistance should be made available to developing countries seeking accession. They should be offered terms that neither exceed nor are unrelated to the commitments of developing country and LDC members of WTO. We urge that all WTO members refrain from placing excessive or onerous demands on applications from developing countries. We, therefore, stressed the need for a transparent, streamlined and accelerated accession process that is in keeping with WTO rules and disciplines.

- Invite UNCTAD in close cooperation with the Geneva Chapter to establish and pursue a programme to elaborate trade policy tools that promote the development dimension within multilateral trading system.

- Advocate a solution to the serious environmental problems, on the basis of the recognition of the ecological debt of the North and of the principle of common but differentiated responsibilities between developed and developing countries, highlighting the need to gain access under preferential terms to the appropriate financial resources and technologies in order to ensure a sustainable development as provided in Agenda XXI.

(2) Restore the central role of the UN in global economic issues, development and international cooperation

- Invite the Chairman of the Group of 77 to include the issue of the role of the UN in global economic issues, development and international cooperation in the draft agenda of the annual ministerial meetings of the Group of 77 as well as in the agenda of the Chapters meetings.

- Call upon UNCTAD, in view of the significant expansion of the activities of transnational corporations (TNCs), including the increasing number of mega-mergers among corporations in developed countries as well as cross border acquisitions in the developing countries, to monitor these activities and analyze their economic, social and environmental implications for the South with a view to maximizing their potential benefits and minimizing their possible negative effects.

- The contribution of the transnational corporations (TNCs) to sustained economic growth and sustainable development is determined by their global strategies characterized by the search for increased competitiveness and ever-higher profits. Such a situation is not necessarily consistent with job creation and the realization of development objectives in many developing countries. In this context, with a view to achieving a balance between the business plans of TNCs and the developmental objectives of developing countries, we call upon UNCTAD and ILO, within their respective mandates, to study the impact of TNCs activities on unemployment as well as on the competitiveness of small and medium enterprises in developing countries. We also call on the TNCs to integrate their development objectives of host developing countries in their business strategies.

VI. INSTITUTIONAL FOLLOW-UP

1. While the establishment of a secretariat of the Group of 77 remains relevant as recommended by various G-77 ministerial meetings and Chapter meetings, the articulation of a rational structure for the management of the affairs of the G-77 is a critical priority. Although the present loose arrangement has succeeded in achieving a reasonable level of support to the activities of the Chairman of the Group of 77 and the members of the Group of 77 as a whole, it is evident that given the multi-faceted nature of the challenges now facing the developing countries, and the expansion of UN agendas during the last two decades, the time has come for us to adopt a more structured arrangement for managing the affairs of the Group. To this end, decide to strengthen the existing arrangement of the Office of the Chairman of the Group of 77 in New York, as provided for two decades ago by the Caracas Programme of Action and recommended by the Twenty-first Annual Ministerial Meeting of the Group of 77 held in September 1997 in New York and the 26th Meeting of the Chairmen/Coordinators of the G-77 Chapters held in Geneva in April 1999, aiming at upgrading the current structures of the Office of the Chairman of the Group of 77 into a compact executive secretariat.

2. Decides, with a view to enabling the Chairman of the Group of 77 to undertake as soon as possible the process of strengthening the current structures of the Office of the Chairman of the Group of 77, an annual contribution of US$5,000 and to invite those countries in position to contribute more to do so.

3. Invite the Chairman of the Group of 77 to review within an appropriate timeframe the complementaries and harmonization of various programmes of Action of South-South cooperation adopted by various South-South groupings and organizations. To harmonize the South's position there is a need to explore areas where synergies can be realized taking into account the Programme of Action tabled by the Non-Aligned Movement, Panel of Economists and other groups from the South.

4. Decides to establish a special fund as a matter of urgency with a target of at least US$10 million to further assist the full implementation and follow up of the decisions adopted by the South Summit. The G-77 member countries, other developing countries, developed countries, relevant UN organizations, and other relevant organizations and other development partners such as private sector and foundations can make voluntary contributions to the fund. In this regard, invite the Chairman of the G-77 to report to the forthcoming G-77 ministerial meeting on the terms of reference and operating modalities of the fund.

5. Invite the annual meeting of the Chairmen/Coordinators of Chapters of the Group of 77 in the year 2000 to consider ways and means to improve coordination mechanisms among the Chapters, with a view to strengthening existing arrangements for the advancement of the positions of the Group in the UN system, and to report on its deliberations and consultations to the upcoming Ministerial Meeting of the G.77.

6. Decide to establish a research programme including through the establishment of systematic links with research institutions in the South which have the potential to carry out extensive analyses directly relevant to the work of the G-77, while stressing the need to maximize the work of the existing research institutions of the South in order to enhance the institutional research capacity of the Group of 77.

7. Decide to establish Groups of Experts in their individual capacities, to review and comment upon the agendas of major multilateral conferences with a view to providing guidance on the objectives and goals of the developing countries, as should be reflected in the outcome of such fora.

8. Invite the Chairman of the Group of 77 to establish a monitoring, analysis, identification, management, follow-up and evaluation mechanism to ensure effectiveness of its South-South projects and initiatives implemented such as mid-term reviews, identification of time frames for implementation of projects in the fields of economic and social development, capacity building and human resources development. This mechanism should consider the analysis of the cooperation initiatives that incorporate the portfolio of projects, provided for in chapter IV of South-South cooperation (numeral 4, bullet 10) and of the various sources of possible financing, with the aim of identifying and managing the procurement of funds for their implementation. This would include opportunities that are available within our countries, both in hard currency and local currency, in technical services, in kind, etc.; and those made available by inter-governmental organizations; regional development banks; donors from developed countries; non-governmental organizations and foundations; and the private and academic sector.

9. Invite the Committee of Experts of the Perez-Guerrero Trust Fund (PGTF) in close coordination with the Chairman of G-77 to make an annual allocation of resources from each project cycle of the PGTF to support the implementation of the South Summit decisions in various relevant sectors taking into account the guidelines for the utilization of the PGTF.

10. Decide to convene the Second G-77 South Summit in the year 2005 and request the President of the South Summit to ensure the effective implementation of decisions and activities in the period between this Summit and the Second G-77 South Summit in the year 2005.